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EXAMINER

POND, ROBERT M

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte STEVEN R. MITCHELL

Appeal 2007-3174
Application 09/528,466
Technology Center 3600

Decided: January 29, 2008

Before ALLEN R. MACDONALD, DAVID B. WALKER, and
JOSEPH A. FISCHETTI, *Administrative Patent Judges*.

WALKER, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellant seeks our review under 35 U.S.C. § 134 of the Examiner's final rejection of claims 1-53. We have jurisdiction under 35 U.S.C. § 6(b) (2002). We reverse and remand.

Appellant claims a method for doing business by computer on the Internet via the World Wide Web (Specification 1:3-4). Claim 1, reproduced below, is representative of the subject matter on appeal.

1. A method comprising:
 - obtaining price data from each of a plurality of retailers and at least one manufacturer for a plurality of goods;
 - receiving an order for at least one of the plurality of goods;
 - processing a monetary transaction for the order such that the manufacturers of the goods in the order and one of the plurality of retailers are each credited with a sum representing their portion of a total value of the order according to the price data.

THE REJECTIONS

The Examiner relies upon the following as evidence in support of the rejections:

Messer	US 5,991,740	Nov. 23, 1999
Blinn	US 6,058,373	May 2, 2000
Sharp	US 6,263,317 B1	Jul. 17, 2001

The following rejections¹ are before us for review.

¹ The Examiner withdrew a rejection of claims 1-53 under 35 U.S.C. § 101 (Answer 3).

1. Claims 1-2, 8-9, 11-13, 16-18, 25-26, 28-30, 33-35, 39-42, 46-47, 49 and 51-52 are rejected under 35 U.S.C. § 102(e) as anticipated by Sharp.
2. Claims 3-7, 19-24, 36-38, and 43-45 are rejected under 35 U.S.C. § 103(a) as unpatentable over Sharp in view of Official Notice.
3. Claims 10, 27, and 48 are rejected under 35 U.S.C. § 103(a) as unpatentable over Sharp in view of Blinn.
4. Claims 14 and 31 are rejected under 35 U.S.C. § 103(a) as unpatentable over Sharp in view of Applicant Admission.
5. Claims 15, 32, and 50 are rejected under 35 U.S.C. § 103(a) as unpatentable over Sharp in view of Messer.
6. Claim 53 is rejected under 35 U.S.C. § 103(a) as unpatentable over Sharp in view of Messer and further in view of Applicant Admission.

ISSUE

The issue before us is whether Appellant has shown that the Examiner erred in rejecting the following claims: (1) claims 1-2, 8-9, 11-13, 16-18, 25-26, 28-30, 33-35, 39-42, 46-47, 49, and 51-52 under 35 U.S.C. § 102(e) as anticipated by Sharp; (2) claims 3-7, 19-24, 36-38, and 43-45 under 35 U.S.C. § 103(a) as unpatentable over Sharp in view of Official Notice; (3) claim 10, 27, and 48 under 35 U.S.C. § 103(a) as unpatentable over Sharp in view of Blinn; (4) claims 14 and 31 under 35 U.S.C. § 103(a) as unpatentable over Sharp in view of Applicant Admission; (5) claims 15, 32,

and 50 under 35 U.S.C. § 103(a) as unpatentable over Sharp in view of Messer; and (6) claim 53 under 35 U.S.C. § 103(a) as unpatentable over Sharp in view of Messer and further in view of Applicant Admission. The correctness of all of the rejections turns on whether Appellant has established invention of the subject matter of the rejected claims prior to the effective date of Sharp.

Rather than repeat the arguments of Appellant and the Examiner, we make reference to the Briefs and the Supplemental Examiner's Answer for their respective details. Only those arguments actually made by Appellant have been considered in this decision. Arguments which Appellant could have made but chose not to make in the Briefs have not been considered and are deemed to be waived. *See* 37 C.F.R. § 41.37(c)(1)(vii) (2004).

FINDINGS OF FACT

We find the following enumerated findings to be supported by at least a preponderance of the evidence. *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427 (Fed. Cir. 1988) (explaining the general evidentiary standard for proceedings before the Office).

1. Document A submitted with Appellant's Declaration Pursuant to 37 C.F.R. § 1.131 dated September 25, 2003 shows establishing a table to allow the wholesale, distributor and retail prices along with internet commission (Declaration pursuant to 37 C.F.R. § 1.131,

Document A). Document A further discloses that a customer picks a product and orders a product, the customer's credit card is charged and the manufacturer, distributor, retailer and internet company are paid (*Id.*).

2. Document C submitted with Appellant's Declaration Pursuant to 37 C.F.R. § 1.131 dated September 25, 2003 shows a series of screenshots for a website (Declaration pursuant to 37 C.F.R. § 1.131, Document C).

PRINCIPLES OF LAW

When any claim of an application or a patent under reexamination is rejected, the inventor of the subject matter of the rejected claim may submit an appropriate oath or declaration to establish invention of the subject matter of the rejected claim prior to the effective date of the reference or activity on which the rejection is based. 37 C.F.R. §1.131 (2007).

The showing of facts shall be such, in character and weight, as to establish reduction to practice prior to the effective date of the reference, or conception of the invention prior to the effective date of the reference coupled with due diligence from prior to said date to a subsequent reduction to practice or to the filing of the application. Original exhibits of drawings or records, or photocopies thereof, must accompany and form part of the affidavit or declaration or their absence must be satisfactorily explained.

Id.

A 37 C.F.R. §1.131 affidavit is not insufficient merely because it does not show the identical disclosure of the reference(s) or the identical subject matter involved in the activity relied upon. If the affidavit contains facts showing a completion of the invention commensurate with the extent of the invention as claimed is shown in the reference or activity, the affidavit or declaration is sufficient, whether or not it is a showing of the identical disclosure of the reference or the identical subject matter involved in the activity. See *In re Wakefield*, 422 F.2d 897 (CCPA 1970).

ANALYSIS

The Appellant's sole argument is that the Appellant conceived of the claimed invention prior to the Sharp reference, which is relied on in all of the rejections on appeal, and practiced due diligence in reducing the invention to practice from the filing of Sharp to the constructive reduction to practice of the claimed invention through filing the application currently on appeal (Br. 8). The Appellant submitted a declaration pursuant to 37 C.F.R. § 1.131 with supporting documents A-H and J-M. The Appellant argues that Document A shows "a design document including a flowchart describing the ordering of a product by a customer, payment of the manufacturer, distributor, retailer and internet company, and retention of an internet commission" (Declaration pursuant to 37 C.F.R. § 1.131 at 2). Appellant

further argues that “[t]he elements of the claims relating to the obtainment of pricing data from a group of retailers, distributors and manufacturers, and selection of a distributor to fill an order is evidenced by the Little Miss Liberty Website, which includes pricing data from the manufacturer and a list of available vendors from which to select for ordering a product.” (*Id.*). The Appellant asserts that Document C is a set of screenshots showing a functional Little Miss Liberty website including a screenshot of the file directory indicating the files of the website were last modified in September of 1998 (*Id.*). Appellant makes no arguments regarding conception with respect to References E-H and J-M, which instead appear intended to show diligence from the conception asserted via references A-D until filing of the application on appeal.

The Examiner found that Document A is not persuasive in demonstrating conception as applicable to any of the above rejections (Answer 9). In particular, the Examiner found that independent claims 18, 35, and 42 require selecting one of the plurality of distributors to fill the order which is not depicted in Document A (Answer 9-10). However, independent claim 1 does not require selecting one of the plurality of distributors to fill the order. The Examiner did not address claim 1 or dependent claims 2-3, 7-11, and 13-17 with respect to Documents A and C. The Document A flow chart appears to show each of the claim limitations of claim 1 (Finding of Fact 1). For that reason, the Examiner has failed to

properly consider the extent to which the Declaration and supporting exhibits establish invention of the subject matter of the rejected claims prior to the effective date of Sharp and diligent reduction to practice between the filing of Sharp and the filing of the application on appeal. The rejection of claims 1-3, 7-11, and 13-17 therefore cannot be sustained.

The Examiner found the Appellant's affidavit insufficient because it failed to disclose various limitations in claims 4-6, 12, and 18-53. However, a 37 C.F.R. §1.131 affidavit is not insufficient merely because it does not show the identical disclosure of the reference(s) or the identical subject matter involved in the activity relied upon. Where, as here, the affidavit contains facts showing a completion of the invention commensurate with the extent of the invention as claimed is shown in the reference or activity, the affidavit or declaration is sufficient. We therefore find that the Appellant has successfully established invention of the subject matter of the rejected claims prior to the effective date of Sharp. Because all of the Examiner's rejections rely on Sharp, the Appellant has shown that the Examiner erred in rejecting claims 4-6, 12, and 18-53.

REMAND

Because a number of the claims appear to recite mental processes, this application appears to raise questions of statutory subject matter under 35 U.S.C. § 101. We therefore remand the application for the Examiner to

consider whether claims 1-53 state statutory subject matter in accordance with 35 U.S.C. § 101, particularly in light of *In re Comiskey*, 499 F.3d 1365 (Fed. Cir. 2007).

Because the Appellant has successfully established invention of the subject matter of the rejected claims prior to the effective date of Sharp, we also remand for the Examiner to reconsider the extent to which the claims on appeal are obvious over Messer, Blinn, Appellant's admitted prior art (Spec. 1:7-19, Figs. 1 and 2), and other available prior art, particularly in light of *KSR Int'l Co. v. Teleflex, Inc.*, 127 S. Ct. 1727 (2007) and *Leapfrog Enters., Inc. v. Fisher-Price, Inc.*, 485 F.3d 1157 (Fed. Cir. 2007).

CONCLUSIONS

We conclude that Appellant has shown that the Examiner erred in rejecting claims 1-2, 8-9, 11-13, 16-18, 25-26, 28-30, 33-35, 39-42, 46-47, 49, and 51-52 under 35 U.S.C. § 102(e) and in rejecting claims 3-7, 10, 14-15, 19-24, 27, 31-32, 36-38, 43-45, 48, 50, and 53 under 35 U.S.C. § 103(a).

DECISION

The decision of the Examiner to reject 1-2, 8-9, 11-13, 16-18, 25-26, 28-30, 33-35, 39-42, 46-47, 49, and 51-52 under 35 U.S.C. § 102(e) and claims 3-7, 10, 14-15, 19-24, 27, 31-32, 36-38, 43-45, 48, 50, and 53 under

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35 U.S.C. § 103(a) is reversed. The application is remanded to the Examiner pursuant to 37 C.F.R. § 41.50(a)(1) (2006) for further consideration of whether claims 1-53 recite statutory subject matter and are obvious over Messer, Blinn, Appellant's admitted prior art, and other available prior art.

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No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2006).

REVERSED and REMANDED

vsh

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